VZCZCXRO9051 RR RUEHIK DE RUEHAH #1626 3511157 ZNR UUUUU ZZH R 171157Z DEC 09 FM AMEMBASSY ASHGABAT TO RUEHC/SECSTATE WASHDC 3928 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUCNCIS/CIS COLLECTIVE RUCNMEM/EU MEMBER STATES COLLECTIVE RUEHAK/AMEMBASSY ANKARA 6020 RUEHBJ/AMEMBASSY BEIJING 3714 RUEHKO/AMEMBASSY TOKYO 3573 RUEHIT/AMCONSUL ISTANBUL 4262 RUCNDT/USMISSION USUN NEW YORK 1327 RHMCSUU/CDR USCENTCOM MACDILL AFB FL RUEHVEN/USMISSION USOSCE 4201 RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHDC RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RUCPDOC/DEPT OF COMMERCE WASHDC RUEATRS/DEPT OF TREASURY WASHDC RUEHC/DEPT OF LABOR WASHDC

UNCLAS ASHGABAT 001626

SENSITIVE SIPDIS

STATE FOR SCA/CEN

E.O. 12958: N/A

TAGS: ELAB SOCI PGOV TX

SUBJECT: TURKMENISTAN: KEEPING UP APPEARANCES AT AVAZA

REF: ASHGABAT 769

 $\P 1$. (SBU) Sensitive but unclassified. Not for Public Internet.

- 12. (SBU) Turkmen Government media depict the newly developed Avaza resort on the Caspian Sea as a popular, year-round vacation spot. However, the climate on the Caspian is not conducive to winter seaside vacations. $\bar{\ }$ In the absence of genuine tourists in the wintertime, ministries and state agencies are forcing their employees to spend their winter vacations in Avaza. An employee of the Ashgabat City Electric Power Department, a unit of the Ministry of Electric Power and Industry, told Pol/Econ local staff member that each employee was required to go to Avaza and stay a minimum of five days in one of the three hotels at the government rate of \$24 per night. Few people want to do this, even at such a seemingly low price, because the average state employee's salary is \$200 a month. Many prefer to spend their money on immediate needs rather than to go to a seaside resort in the off-season. However, their employers deduct the cost of the hotel directly from their salary, so they have no choice but to acquiesce.
- 13. (SBU) Post's local contacts doubt that the Avaza project will be financially self-sustaining, given the massive investment to date and the lack of willing tourists. According to Turkmen state-run media, President Berdimuhamedov plans to build a total of forty hotels at Avaza, although only three have opened so far. Also planned are sport and recreation complexes that would accommodate 15,000 tourists. At the official opening of Avaza in June 2009, the president said his government had already spent over \$1.5 billion on construction (reftel). In addition, these new hotels will lose money every winter unless the Turkmen Government can force enough employees to go to Avaza to cover the expenses, since the hotels are reportedly not allowed to close during the off-

season. Turkmenistan's stringent visa regime means there will probably be few foreign tourists during any season.

14. (SBU) COMMENT: It is difficult to foresee if or when Avaza will become a source of revenue for Turkmenistan, or a popular year-round resort destination. However, its development remains a presidential priority, which means no expense or effort will be spared to make it look like a success. Consequently, the Turkmen Government will continue to sink money into the construction of new facilities and force its employees to shoulder the burden of keeping up appearances.

CURRAN